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Approved For Release 2007/03/05 : CIA-RDP78-03061A000100010026-3

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Approved For Release 2007/03/05 : CIA-RDP78-03061A000100010026-3

The Soviet Labor Supply

The Soviet labor force is temporarily declining due to the sharp drop of births in the USSR during the war years. The decline coincides with the period covered by the ambitious Seven-Year Plan which calls for a substantial expansion of the Soviet economy. The Plan covers the years 1958-1965. The figures for the working age population, that is the 15 to 60 age group, can be summarized as follows: The net increase in the labor force for 1951-1955 totalled 13.1 millions; for 1956-1960 that increase will be down to only 5.4 millions; for 1961-1965 the estimates put the increase at 6.1 millions. The net addition to the 15-60 age group for the Plan period, 1958-1965, is estimated at 7 million, which is about half the rate that took place in the early fifties. Until now the Soviets have shown no public recognition that the lack of manpower might jeopardize the success of the Plan. The Soviets can ameliorate the deficit in the labor force by further reduction in the armed forces; increase in the number of women workers; transfers of personnel from the bureaucratic apparatus and from agriculture to industrial work; or by importing foreign labor as was done in the case of 30 thousand Bulgarians, or, finally, by increased productivity through use of machine power, including automation, rather than hand labor.

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Approved For Release 2007/03/05 : CIA-RDP78-03061A000100010026-3

Approved For Release 2007/03/05 : CIA-RDP78-03061A000100010026-3

51. Black African Nationalism

Black African nationalism presents obvious opportunities for Communist exploitation. The opportunities for our side are not so obvious. The image of colonialism in voluntary and peaceful phase-out, which is favorable to the West, is balanced by the varying degrees of white sovereignty which still prevail from the Belgian Congo south. Whether through peaceful evolution or through violence, the direction of movement of Black African nationalism is forward. Ultimate Western interests and U.S. policy will best be served by peaceful evolution; world Communist ambitions by violence. Nationalist organizations are still in a formative state, and we cannot yet lable any of them as peaceful or violent in intent. However, we can point to certain African leaders who are professed moderates and who are apparently not susceptible to Communist influence and would probably resist U.A.R. encroachment: Kwame NKRUMAH, Prime Minister of Ghana; Obafemi AWOLOWO, Prime Minister of western region of Nigeria; Abubakar Tafawa Balewa, Federal Prime Minister of Nigeria; William V.S. TUBMAN, President of Liberia; Tom MBOYA, member of Kenya legislative council and Kenya's undisputed nationalist leader; Julius KIANO, member of Kenya legislative council and number two man in nationalist movement; Julius NYERERE, Tanganyika nationalist leader; Ahmadou AHIDJO, Premier of French Cameroons; Z.K. MATTHEWS SR., moderate leader of resistance to South African apartheid, vice-president of African National Congress; Patrick DUNCAN, white editor of Contact magazine and a leader of opposition to apartheid; Alan PATON, noted white South African author and opponent of apartheid; Dr. Alfred XUMA, South African Negro leader; Emperor Haile SELASSIE of Ethiopia; Mengasha SEYOUM, Ethiopian Minister of Public Works; Mohammed Abecir MUSSA, Commandant of Somalian police force. We can also identify those leaders known to have U.A.R. connections (starred names are reported to have Communist links as well): Mumuksyumba SIPALO*, Rhodesia; Dr. Felix MOUMIE*, Cameroons; John KALE*, Uganda; Joshua NKOMO*, Rhodesia; Hagi Mohammed HUSSEIN, Somalia; Prince Dika AKWA, Cameroons; Andre-Marie M'BIDA, Cameroons; Dr. Hastings BANDA, Nyassaland. Finally we can list those who are consistently active in international Communist front organizations: Osende AFANA, Cameroons; Lo Cheik BARA, Senegal; Abdou MOUMOUNI, Senegal; Alioune PAYES, Senegal; Abdoulaye DIALLO, Guinea; Alioune Cisse, French West Africa; Aime MATSIKA, Middle Congo; Majhout DIOP, French West Africa; Sekou TOURE, Premier of Guinea, is not included because his political orientation is still in doubt.

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Approved For Release 2007/03/05 : CIA-RDP78-03061A000100010026-3

Approved For Release 2007/03/05 : CIA-RDP78-03061A000100010026-3

52. The Life Magazine Story of a KGB Officer

Life Magazine, in its issue of 23 March 1959, released on 18 March, will begin a series of articles covering the biography of Peter Deryabin, a former major of the KGB, who defected in Vienna in February 1954. The biography, written in collaboration with Frank Gibney, a senior staff writer of Life Magazine, tells how a Soviet peasant rose through the ranks of the Party to an important position in the Secret Police. It shows how a Russian citizen, in spite of intensive training in Party ideology, can become disaffected. The story told by Deryabin is an expose of the ruthless methods of the Soviet Secret Police, of the corruption in the top ranks of the Party hierarchy, and in Soviet society generally. It is anticipated that the material covered in these articles will be published in book form. If the Soviets counterattack, they are likely to direct their fire against Life.

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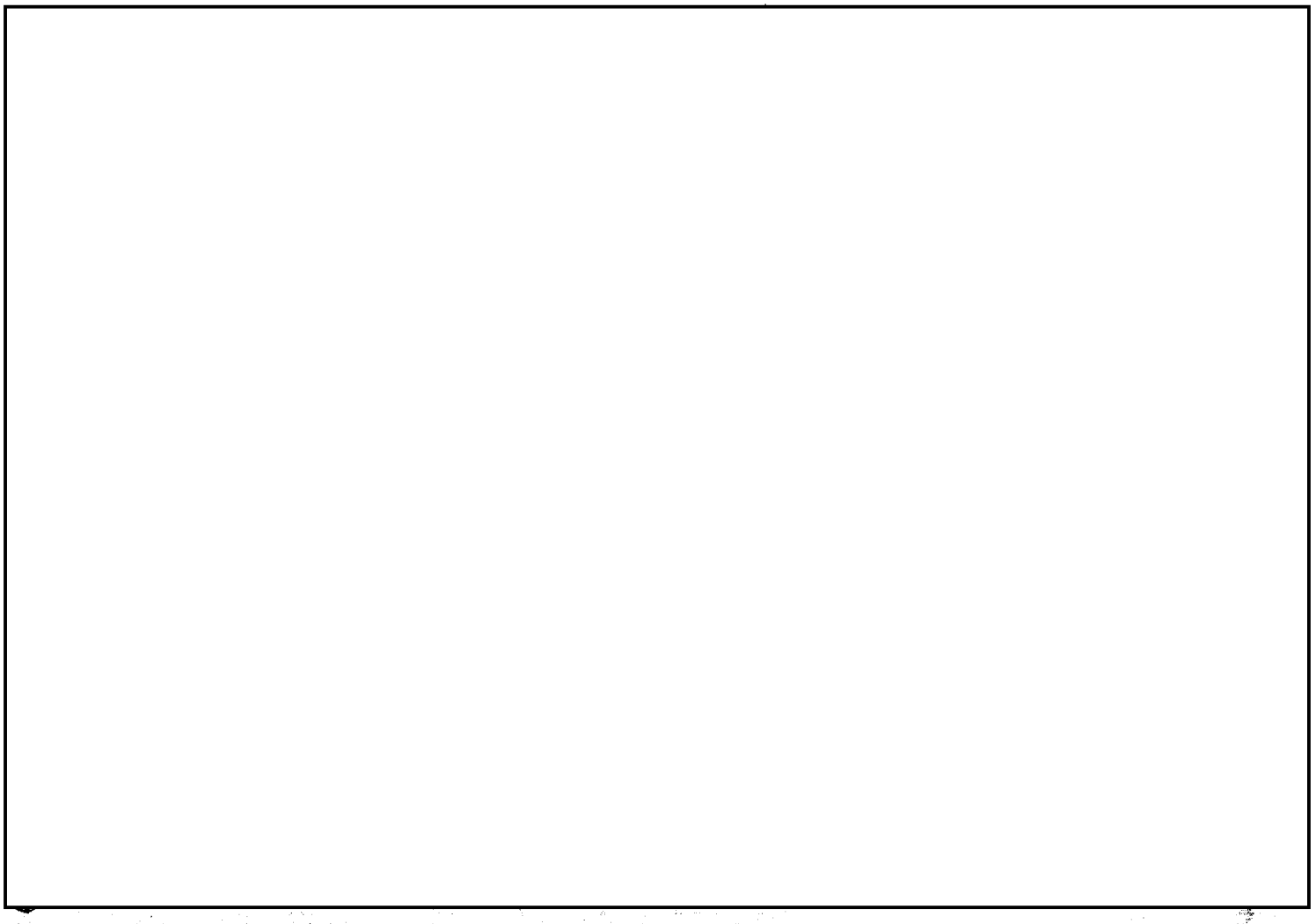
Approved For Release 2007/03/05 : CIA-RDP78-03061A000100010026-3

Approved For Release 2007/03/05 : CIA-RDP78-03061A000100010026-3

53. Soviet Bloc Economic Maneuvers in Latin America

The most striking fact about the economies of the Soviet Bloc and Latin America is that they are basically non-complementary; that is, each seeks primarily to export raw materials. Some of the materials that are common to both areas like petroleum, tin, lead, and zinc compete for the same markets. Others produced only by Latin America, such as coffee and cocoa, are considered by the Bloc as luxury items of little interest. Both areas are net importers of machinery so that limited amounts of manufactured goods can be expected to flow from the Bloc. Despite this sterile trade relationship, the Bloc persists in probing for trade footholds in Latin America.



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Approved For Release 2007/03/05 : CIA-RDP78-03061A000100010026-3

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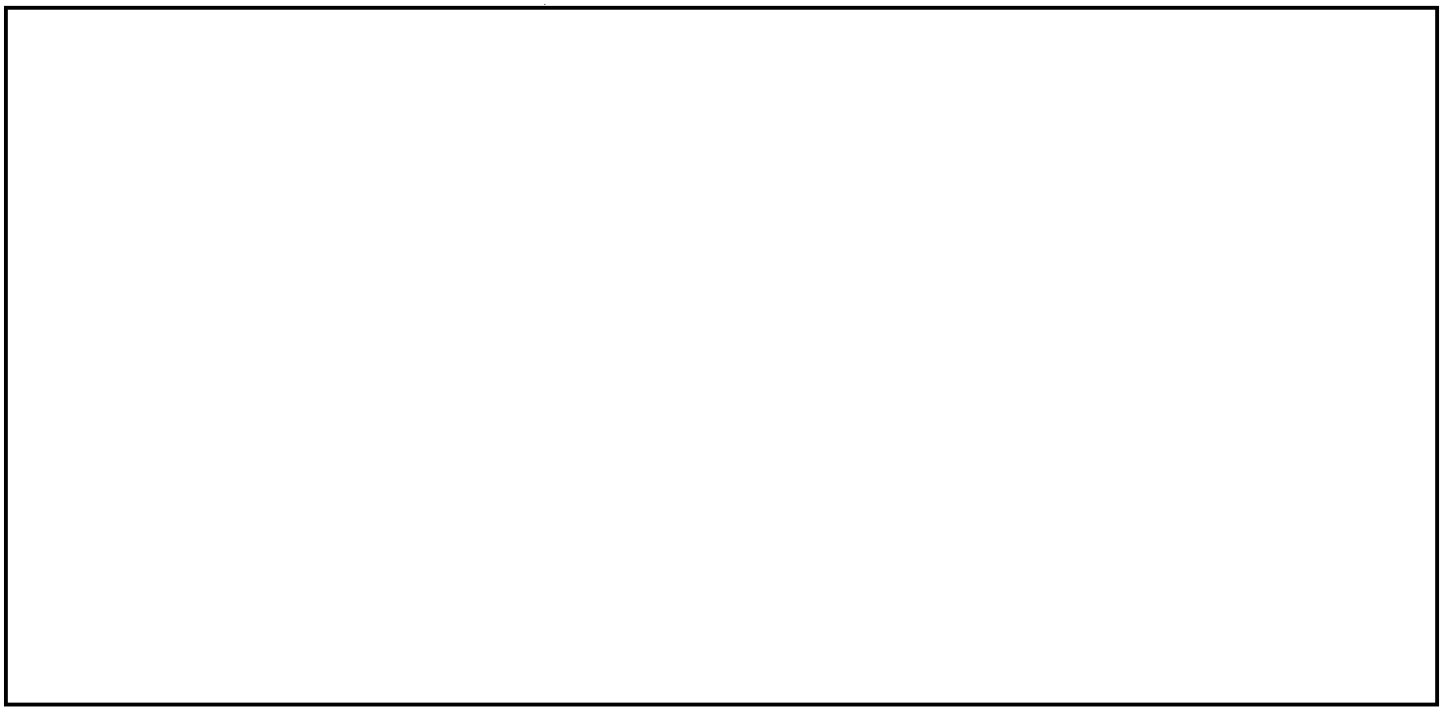
Approved For Release 2007/03/05 : CIA-RDP78-03061A000100010026-3

54. Chinese People Suffering Food Shortages

Peking has shown some sensitivity to criticism voiced from the Bloc as well as from the Free World to the effect that living standards are being sacrificed to political ambition in China today. Peking's external propaganda has attempted to answer such criticism by stating that the commune system is in answer to the demands of the people. Such arguments can be counteracted by the presentation of facts on actual living conditions in China. Despite Chinese Communist claims to immense increases in agricultural production, accompanied by fantastic statistics, there is considerable evidence that the China mainland people are suffering from severe shortages of food and cotton. Shortages existing both in large cities and in rural areas are reported by travellers returning from the mainland and by the Chicom press and radio. In Peking, milk, butter, meat, eggs, fish, chickens, ducks, edible oils, fruit, and many kinds of vegetables are almost unobtainable. The proportion of wheat flour in the basic food has been cut from 34% to 10%--lower than at any time since food rationing began in 1954. Even cabbages are rationed for the first time. The people of Canton, next to the sea, are short of fish, while the people of Shanghai have to take half their rice ration in sweet potatoes, although Shanghai is located at the mouth of the Yangtse, which runs through the heart of the wheat and rice producing region. Cotton cloth is still rationed and, although this year's ration is to be increased, it only restores cuts made in 1957, despite the regime's claims that production of raw cotton has more than doubled in the past two years. Current Chicom propaganda contains repeated exhortations to conserve food. Finance Minister Li Hsien-nien openly admitted food shortages in a speech on 28 December to agricultural activists. On 26 January, the Chinese Home Service broadcast a talk on "planned consumption of foodstuffs" by Communes.



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Approved For Release 2007/03/05 : CIA-RDP78-03061A000100010026-3

55. Korean Repatriation Movement in Japan

On 13 February 1959 the Japanese Government announced that it will permit the 700,000 Korean residents in Japan to repatriate to North Korea on a voluntary basis. The North Korean Government demands that the repatriation be effected by the respective countries on a governmental level, but the Japanese wish to obtain the good offices of the International Red Cross to supervise the repatriation and to arrange all the technical details necessary to complete it. The South Korean Government opposes the Japanese repatriation decision as tantamount to condemning these Koreans to perpetual slavery. Although no official headcount has been made, estimates of the number who are sympathetic to the Communists, and who would repatriate to North Korea vary from 43,000 to 117,000 or about 12% of the total Korean population in Japan. Such a mass repatriation would be a clear propaganda victory for the Communists, and at the same time these repatriates would solve some of the serious manpower shortages which are said to exist in North Korea. Millions have been spent by the North Korean Government and its front groups in Japan for propaganda campaigns against the South Korean Government, and for luring the Koreans in Japan to return to their homeland. Every conceivable trick has been used against them--promises of free choice of occupation, excellent wages, free housing, free schooling--but in spite of these efforts over 600,000 Koreans see the bait and refuse to repatriate.

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